

PARENT DONATION PROGRAM

Fund Raising That Gives Something Back!

From Brian Pare`

In this era of diminishing funding and inadequate volunteer labor, I'd like to suggest another fund raising alternative, with the idea of many jumping on board to fund the Music Boosters budget. Many hands make light work, and many donations make a budget that works, year after year!

Since Northern Music Boosters is registered as a 501c3 non-profit, tax deductible donations can be made to the organization at any time. No middle men, no army of volunteers to administer, and ALL the money goes helps to make the annual budget work for our children's benefit!

The tax brackets for 2012 are pretty straightforward. They are 10%, 15%, 25%, 28%, 33% and 35%. Most folks are probably in the first three with rare exception, but your accountant or tax adviser can tell you where you fit so you see how this works.

I'm going to list the donation amount and then what the money really "costs" due to tax deductibility, multiplied by 12 months, assuming monthly donations.

I will show the tax bracket as a percentage/donation amount/real cost of the money/gross annual donation/net cost due to deductibility/daily cost

10%/\$25/\$21.50/\$300/\$258/\$.71

10%/\$50/\$45/\$600/\$540/\$1.48

10%/\$75/\$67.50/\$900/\$810/\$2.22

10%/\$100/\$90/\$1200/\$1080/\$2.96

15%/\$25/\$21.25/\$300/\$255/\$.70

15%/\$50/\$42.50/\$600/\$510/\$1.40

15%/\$75/\$63.75/\$900/\$765/\$2.10

15%/\$100/\$85/\$1200/\$1020/\$2.79

(most of us spend more than the result on a daily cup of coffee).

We have to ask ourselves, is subscribing to a solid budget every year worth more than a cup of coffee? I hope the answer is a resounding yes!

Just for the sake of discussion, let's multiply 30 donors by the annual amount of \$300 which is \$25 per month. Quick math gets you \$9,000. 40 it jumps to \$12,000

Same deal at \$50 per month per donor it's \$18,000. 40 it's \$24,000.

Same deal at \$75 per month it's \$27,000. 40 it's \$36,000.

Just think what we could do if everybody pitched in at least \$25 per month, every month in addition to the concession stand sales and a few select fundraisers throughout the year that truly make money.

Our band budget worries would be completely over!

We really have two choices here. We can fundraise the hard way, the easy way. If we want a solid, viable program going forward, the alternatives are few. At least this offers tax incentives where the cost of the donation goes down as the tax bracket goes up, and all the money goes where it should, to the general fund of the music boosters.

Respectfully submitted,

Brian Paré

As an aside, our family has been making monthly donations since last year, and it works great and we feel like we are getting the best bang for our buck.